

AG Contract No. KR96 1676TRN
ADOT ECS File: JPA 96-65
Project: G1050 56C
Section: Dysart/Van Buren ESP Improvements

INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE STATE OF ARIZONA
AND
THE CITY OF AVONDALE

THIS AGREEMENT is entered into December 4, 1996,
pursuant to Arizona Revised Statutes, Sections 11-951 through 11-954, as amended,
between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF
TRANSPORTATION (the "State") and the CITY OF AVONDALE, acting by and through
its MAYOR and CITY COUNCIL (the "City").

I. RECITALS

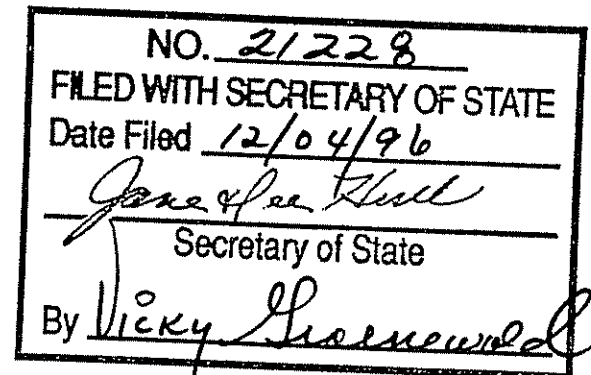
1. The State is empowered by Arizona Revised Statutes Section 28-108 to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has delegated to the undersigned the authority to execute this agreement on behalf of the State.

2. The City is empowered by Arizona Revised Statutes Section 41-1513 and 28-1895 et seq to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has authorized the undersigned to execute this agreement on behalf of the City.

3. The City has requested Economic Strength Project (ESP) funds in the amount of \$50,000.00; the Arizona Department of Commerce and the Economic Development Commission have recommended the approval of such funds for the City, and the Transportation Board has approved the funding, for the construction of sewer and street improvements to Dysart Road and Van Buren Street, to provide improved access, and aid in the retention and development of local business, hereinafter referred to as the Project.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

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II. SCOPE

1. The City will:

a. Insure the additional commitment of 85% of the total estimated Project cost, or \$280,392.00, whichever is more, from the City or other sources (not including ESP funds) to the Project. Accomplish construction of the Project by public bidding, in strict compliance with State procurement laws, rules and regulations. Upon completion, approve and accept the Project on behalf of the City and provide maintenance.

b. No more often than monthly, invoice the State, in the form of Exhibit B hereto, for ESP funds (Arizona Department of Commerce, ATTN: Strategic Finance Division, ESP Program Director, 3800 N. Central Avenue, Suite 1500, Phoenix, AZ 85012), in an amount not to exceed \$50,000.00.

c. Provide the State a copy of the executed Project contract(s), and draw down and expend the State ESP funds no later than six (6) months after the effective date of this agreement. Provide the State detailed written reports of all ESP fund expenditures, supported by invoices, receipts or other suitable and appropriate documentation, and a final accounting report no later than thirty (30) days after ESP funds are fully expended.

d. Reimburse the State any funds received from the State under this agreement which are not specifically and directly expended in compliance with the ESP grant application, which is attached hereto and made a part hereof, and are subsequently disallowed by the State.

e. Provide the State (Arizona Department of Commerce, ATTN: Strategic Finance Division, ESP Program Director, 3800 N. Central Avenue, Suite 1500, Phoenix, AZ 85012) with quarterly Project status reports, and one year after completion of the Project, a written Economic Impact Report detailing the direct and indirect impact of the Project, to include jobs created, jobs retained and related data.

2. The State will:

Within thirty (30) days after receipt and approval of the ESP contract(s) and subsequent monthly progress payment invoices, reimburse the City for work completed on the Project funds in an amount not to exceed \$50,000.00.

III. MISCELLANEOUS PROVISIONS

1. The only interest of the Department of Transportation in the Project is to convey economic strength pass through funds for the use and benefit of the City by reason of state law under which funds for the Project are authorized to be expended.

2. The City agrees to indemnify and save harmless the State, or any of its departments, agencies, officers or employees, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the performance or non-performance by the State of any of the provisions of this agreement.

3. The total amount of ESP funds expended under this agreement shall not exceed 15% of the total Project cost. Should the Project not be completed, be partially completed, or be completed at a lower cost than the advanced amount, or for any other reason should any of these ESP funds not be expended, a proportionate amount of the funds provided under this agreement shall be reimbursed to the State.

4. This agreement shall remain in force and effect until completion of said Project, reimbursement and subsequent reports; provided, however, that this agreement, except any provisions herein for maintenance, which shall be perpetual, may be cancelled at any time prior to the award of a construction contract, upon thirty (30) days written notice to the other party. Further, this agreement may be terminated and the ESP grant cancelled by the State if the City, in the opinion of and by action of the Transportation Board, fails to pursue due diligence on the Project or in the performance of any of the terms of this agreement.

5. This agreement shall become effective upon filing with the Secretary of State.

6. This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511 as regards conflicts of interest on behalf of State employees.

7. The provisions of Arizona Revised Statutes Section 35-214 pertaining to 5 year records retention by the City and audit by the State are applicable to this contract.

8. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth in Arizona Revised Statutes Section 12-1518.

9. All notices or demands upon any party to this agreement, except as otherwise specified herein, shall be in writing and shall be delivered in person or sent by mail addressed as follows:

Arizona Department of Transportation
Joint Project Administration
205 South 17 Avenue, Mail Drop 616E
Phoenix, AZ 85007

City of Avondale
City Manager
525 N. Central Avenue
Avondale, AZ 85323


10. Attached hereto and incorporated herein is the written determination of each party's legal counsel that the parties are authorized under the laws of this state to enter into this agreement and that the agreement is in proper form.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

CITY OF AVONDALE


STATE OF ARIZONA

Department of Transportation

By 
THOMAS F. MORALES, Jr.
Mayor

By 
JAY KLAGGE, Director
Transportation Planning

ATTEST:

By 
LINDA M. TYLER
City Clerk

RESOLUTION

BE IT RESOLVED on this 6th day of June 1996, that I, the undersigned LARRY S. BONINE, as Director of the Arizona Department of Transportation, have determined that it is in the best interests of the State of Arizona that the Department of Transportation, acting by and through the Highways Division, to enter into an agreement with the City of Avondale for the purpose of defining responsibilities for conveying Economic Strength funds to the City.

Therefore, authorization is hereby granted to draft said agreement which, upon completion, shall be submitted to the Director, Transportation Planning for approval and execution.


for LARRY S. BONINE
Director

**ECONOMIC STRENGTH PROJECTS
REQUEST FOR PROPOSAL
FY 1995 - ROUND 2
March 24, 1995**

APPLICATION FORM

NOTE: Additional information may be provided in attachments. Be sure to clearly reference and mark such additions and attachments.

1. NAME AND ADDRESS OF APPLICANT:

**City of Avondale
525 N. Central Ave.
Avondale, Arizona 85323**

2. TYPE OF ORGANIZATION OF APPLICANT: (Check one)

- a) **XX Local Government only**
b) Private Non Profit/Local Government Joint Application

3. Describe the function or purpose of applicant organization.

As the local government entity, our mission is to serve the citizens of Avondale, to improve the quality of life for all, and to promote community spirit and pride. The City of Avondale ensures that services are provided efficiently and effectively by focusing on the following areas: Citizen involvement, Economic development, Fiscal responsibility, Planning, Community Services, Environment, Image, and Public Safety.

4. Name, address, and phone number of contact person:

**Bill Bates, Public Works Director
City of Avondale
525 N. Central
Avondale, AZ 85323**

5. Describe the private sector project or activity for which the related ESP funding is requested.

The private sector related project is the retention and expansion of the Avondale Dodge auto dealerships from the current 7 dealerships and 3 buildings on 3.75 contiguous acres to the expansion of 10 dealerships and 7 buildings on 10.5 contiguous acres.

6. Describe the Economic Strength Project for which funding is requested. Describe how the ESP project supports/relates to the private sector project described in #5 above.

PROJECT DESCRIPTION - The ESP project proposed by the City of Avondale is a sewer infrastructure and road improvement project. The major elements are: 900 feet of 8 inch sewer line, water service upgrades, intersection improvements (including traffic signal upgrades, pavers, sidewalk ramp upgrades, drainage), road widening from the current one eastbound lane to two eastbound lanes, paving overlay, restriping, the addition of sidewalks, streetlights, landscaping, curb and gutter, and relocation of utility poles.

The proposed road and sewer project is an essential component of the dealership expansion in four key ways. The ESP project will provide a basic city service necessary for operation of the expansion, provide needed traffic safety and pedestrian safety mechanisms, significantly increase accessibility and traffic circulation for potential customers, and significantly enhance the dealership's curb appeal to consumers, citizens, and other local businesses.

BASIC SERVICES - Currently, the property designated for the expansion does not have sanitary sewer connections. Sewer service is necessary for the operation of this auto dealership expansion. The expansion cannot take place unless this basic service is provided by the City.

TRAFFIC SAFETY - According to the Maricopa Association of Governments Weekday Traffic Count, 4,000 cars per day pass through the ESP project area. This is significant because that particular section of Van Buren narrows from two lanes down to one lane in the eastbound direction. This narrowing is a traffic safety hazard which needs to be addressed. Due to the increasing volume of cars along this road, the expansion of Avondale Dodge dealerships, and the expansion of our Auto/Commercial District, Van Buren must be widened to a full two lanes in the eastbound direction from Dysart Road to the Agua Fria Bridge to accommodate the current high volume and projected increase in the traffic count over the next two years and beyond.

ACCESSIBILITY - This section of Van Buren Street contains the primary entrance points for all of Avondale Dodge's current facilities and planned expansion. It is essential that Van Buren Street be widened to two lanes along the entire length of the property to allow for ease of access to all of these current and planned dealerships.

CURB APPEAL - The intersection of Van Buren and Dysart Road is the most significant and highest volume intersection in the City of Avondale's Commercial District. The ESP project will significantly enhance the curb appeal of Avondale Dodge's property, the entire Auto/Commercial District, and the overall image of the City because of the proposed intersection improvements, road improvements, sidewalks, and landscaping. The ESP

project is one piece of the City of Avondale's larger Capital Improvement Program Plan to improve and enhance the entire Auto/Commercial District in FY 1995-96 and FY 1996-97.

7. Describe how the private sector project fits into the community's overall economic development efforts.

The Avondale Dodge expansion fits extremely well into the City of Avondale's overall economic development efforts. Both Avondale Dodge and the City are capitalizing on a competitive advantage. Avondale Dodge and its expansion is the cornerstone of our Auto/Commercial District. The dealership has been in Avondale for ten years and already has significant capital investment in our City. The expansion will draw additional dealers to our Auto District as well as supporting and ancillary services. Avondale Dodge, as well as other dealers, have indicated their strong interest in more expansion in our Auto District over the next two to five years. The synergy already in place will continue to grow and, like a magnet, attract other related commercial business to the area. The retention and expansion of our auto dealers is one important component of our economic development strategy. The City is also concentrating on retail development, industrial development, and residential development to secure the economic health of Avondale well into the 21st Century.

8. Describe how the supporting ESP project fits into the community's overall economic development efforts.

The ESP project is essential to Avondale's overall economic development efforts. Without this project, the Avondale Dodge expansion cannot take place. On a larger scale, without this project, our Auto/Commercial District health will be jeopardized, and in turn, our sales tax revenues, employment base, and entire City economy will be at risk. This project will support, retain, encourage, and facilitate significant capital investment, jobs, and sales tax revenues in our community both short term and long term. This project also is a part of Avondale's economic development efforts to develop and maintain a specific, positive, pro-business image and environment by providing the basic infrastructure and attractive physical, economic, and fiscal environment necessary for capital investment.

9. How will on-going maintenance and repair be provided for the ESP project after construction/improvement?

The existing road being proposed for widening is Van Buren Street from Dysart Road to the Agua Fria Bridge crossing. This road is a permanent part of the City's road system. The proposed sewer lines will be hooked up to the City's existing sewer and wastewater treatment system. Both the widened road and the new sewer line will receive normal, routine maintenance by the City as part of a typical City right of way.

10. Description of ESP Project.

a) **X** **This is an existing roadway.**

11. Where is the private sector project located that is supported by this ESP project?

The private sector project is located on the southeast corner of Dysart Road and Van Buren Street in the Auto/Commercial District of Avondale. The project runs from Dysart Road on the west to Eliseo Felix Jr. Way on the east, and from Van Buren Street on the north to approximately 400 feet south of Van Buren. The private sector project is part of the southern portion of Avondale's 75 acre Auto District. The Auto District is composed of the City's 14 dealerships as well as the land and zoning for at least six to ten future dealerships, current and future ancillary services, and other related commercial businesses. (See map attached.)

12. Where is the ESP project located:

a. In the community:

The ESP project is on Van Buren Street, from Dysart Road east on Van Buren to the bridge abutment of the Agua Fria River Bridge crossing including intersection reconstruction and upgrades at Dysart and Van Buren (approximate distance of 1/3 mile). This road section is located in the heart of Avondale's Auto/Commercial District just south of the Interstate 10 freeway at Dysart Road. (See map attached.)

b. In relation to the related private sector project:

The ESP Project is located fully contiguous to the private sector project on the northern border of the private sector project. This road section provides all of the main street entrances to the Avondale Dodge project and property. (See map attached.)

13. What is the length (in feet/miles) of the ESP project.

1,950 lineal feet = .36 mile

14. What is the width (in feet) of the ESP project.

71 feet average width

15. JOB RETENTION (Of the private sector project which the ESP project is supporting)

a) Directly retained:

1. How many temporary and permanent full-time jobs will be retained directly by the private sector project which this ESP project is supporting?

40 full-time permanent jobs
4 part-time permanent jobs

Job Description	# Employees	Average Salary
Full-time:		
Senior Management	5	\$4,000/month
Sales staff	10	\$2,500/month
Technicians	12	\$2,000/month
Clerical staff	4	\$1,800/month
Janitorial staff	3	\$1,800/month
Parts staff	2	\$1,600/month
Lot attendants	2	\$1,200/month
Delivery staff	2	\$1,200/month
Part-time	4	\$5/hour/20hrs/wk

2. Employer:

**Avondale Dodge Dealerships (Avondale Dodge/Dodge
Truck/Chrysler/Plymouth/Jeep/Eagle/Used Cars)**

3. How would the lack of the ESP project cause, or contribute to, the loss of these directly affected jobs?

The lack of the ESP project would cause the eventual loss of all of the Avondale Dodge dealerships, current and planned, from the City of Avondale. Avondale Dodge dealerships are at maximum capacity in their current configuration. The expansions are necessary to accommodate the rapid population growth in the southwestern metropolitan Phoenix area. Two infrastructure components of the ESP project are water service extension and a sewer line and hookups for the expansion property to the City's sewer system. Without the sewer line and hookups, the expansion is not possible. If the expansion cannot take place, those potential consumers will look elsewhere for vehicles. It is likely that either Avondale Dodge's current dealerships would suffer and that the planned expansion would be moved elsewhere, perhaps to another city. In addition, any other potential dealers wishing to relocate their facilities to Avondale to take advantage of the synergy would locate elsewhere because the Auto/Commercial District, as well as the City itself would not be viable or attractive. The long term effect would be disastrous for both Avondale Dodge and the City of Avondale.

16. Job Creation

a) Construction jobs created:

- 1) How many construction jobs will be created by the ESP project?
Average of 10 construction workers on-site full-time for one month.
- 2) How long will the construction jobs associated with the ESP project last?
Approximately four weeks.
- 3) How many construction jobs will be created by the private sector project?
Average of 15 construction workers on-site full-time each business day for eight months of actual construction activities.
- 4) How long will construction jobs associated with private sector project last?
Approximately 1 year including pre-construction, construction, and post-construction activities.
- 5) List the existing employer or employers for whom these direct jobs will be retained and a breakdown of jobs and wages retained for each.

<u>EMPLOYER</u>	<u>JOBS</u>	<u>WAGES</u>
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Estimate received from Carlson Construction Company. Actual construction company employer(s) and subcontractors will depend on final bids and selection once ESP funding is approved. (See Carlson Construction Company Cost Summary attached.)

<u>Actual Construction Trades Categories to be Used</u>	<u>Estimated Cost</u>
Architectural/Planning (Verbal estimate)	\$40,000
General Requirements	\$23,191
Sitework	\$30,310
Site Utilities	\$14,100
Landscaping	\$ 2,000
Concrete	\$40,700
Masonry	\$ 4,100
Metals	\$ 685

Wood & Plastics	\$ 1,170
Thermal & Moisture Protection	\$ 4,067
Doors	\$ 1,868
Glass & Hardware	\$20,233
Lath & Plaster	\$ 8,900
Drywall Work	\$12,000
Ceramic Tile Work	\$15,359
Acoustical Ceiling	\$ 7,140
Painting & Wall Covering	\$ 3,550
Specialties	\$ 992
Special Construction	\$61,809
Fire Protection	\$12,240
Plumbing	\$12,741
Heat, Vent, & Air Conditioning	\$24,991
Electrical	\$36,930

b) Permanent full-time jobs directly created:

- 1) How many new, additional permanent full-time jobs and part-time jobs will be directly created by the private sector project supported by this ESP project?

40 additional permanent full-time jobs
4 additional permanent part-time jobs

<u>Job Description</u>	<u># Employees</u>	<u>Average Salary</u>
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Full-time:

Senior Management	5	\$4,000/month
Sales staff	10	\$2,500/month
Technicians	12	\$2,000/month
Clerical staff	4	\$1,800/month
Janitorial staff	3	\$1,800/month
Parts staff	2	\$1,600/month
Lot attendants	2	\$1,200/month
Delivery staff	2	\$1,200/month

Part-time

Clerical staff	4	\$5/hour/20hrs/wk
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- 2) List the employer who will create these new, additional directly created jobs and wages for each.

Avondale Dodge: Avondale Dodge, Avondale Chrysler, Avondale Plymouth, Avondale Jeep, Avondale Eagle and a used car facility

17. Will any regularly occurring seasonal jobs be created by the private sector project?

NO.

18. Capital Investment

- a) What kind of new, additional capital investment will be made by the private sector business or industry assisted by this ESP project? (Building, equipment, etc. at this site).

Land, Buildings, Machinery, Equipment, and Inventory (vehicles) to build another auto dealership (See Sources and Uses Statement - Attachment B)

- b) What is the dollar value of the new, additional capital investment that will be made by the private sector business or industry assisted by this ESP project?

\$3,835,000

19. Cost/Benefit Calculation

What is the likelihood that benefit resulting from the project will exceed the costs of the project? Show detail of cost/benefit analysis used to determine the net benefits, if any, of this project.

Total cost of the ESP project	\$291,076
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Estimated sales tax revenues from Avondale Dodge in 1995-96 (before expansion)	\$158,963
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Estimated sales tax revenues from Avondale Dodge in 1996-97 (after expansion)	\$379,922
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The project will pay for itself in direct sales tax revenues from Avondale Dodge in .77 years, or approximately 9 months. Avondale Dodge dealerships, as well as all of our dealerships, have been experiencing tremendous growth in the last few years. Projections for the next several years are to continue this high rate of growth in sales (currently 39% growth in sales tax revenues annually to the City of Avondale).

Sources:

**City of Avondale Sales Tax Revenue Vendor
History**

Conversation with John Grant, Avondale Dodge

20. What community(ies) will benefit from this project. How will each listed community benefit?

The City of Avondale will directly benefit from this project. The City will benefit in four primary ways: sales tax revenues retention and creation; job retention and creation; auto dealership retention, expansion, and relocations; and Auto/Commercial District image enhancement. The City of Avondale will also indirectly benefit from the jobs, sales tax revenues, and attractive business image which the related ancillary services and businesses would bring as a direct result of both the ESP project and the Avondale Dodge project as well as all other Auto/Commercial District expansion which will then take place.

21. List the names of local economic development organizations and a contact person for each which are involved with this private sector project. Include documentation showing the involvement and level of support of each organization.

City of Avondale, Carlos V. Palma, City Manager

Western Maricopa Enterprise Zone (WMEZ) - The WMEZ does not work directly with clients. Each member city works directly with its clients. The City of Avondale is an active member of the WMEZ and is working with Avondale Dodge to take advantage of the tax credits offered as an economic development incentive through Avondale's membership in the WMEZ.

22. What is the total cost of the private sector project?

\$3,835,000

23. What is the total cost of the ESP project?

\$291,076

24. Complete and attach the Budget Detail Schedule, (Attachment A)

See attached.

25. Complete and attach the Sources and Uses Schedule (Attachment B)

See attached.

26. Of the total ESP project cost listed in #23 above, how much financial assistance are you requesting from the Economic Strength Projects Fund?

\$50,000

27. List the sources and amounts of matching funds (both private and public) that will be a part of the total direct ESP project cost.

a) Public Funds:

1) Name of public entity contributing the match:

City of Avondale

2) Cash match contributed to the project:

Amount: \$241,076

**Source: City of Avondale Highway Users
Revenue Funds (HURF) Bonds**

3) In-kind match contributed to the project.

Dollar value of in-kind match contributed:

\$4,000

Type of match:

Landscaping plants previously donated to the City

b) Private Sector Funds:

1) Name of private sector company contributing matching funds to the ESP project (if any).

Avondale Dodge

2) Amount of matching funds contributed by the private sector to the ESP project (if any).

**\$21,316 (approximately 6,363 square feet X \$3.35/square foot)
for in-kind match of the donation of land via dedication of
Right-of-Way and easements to the City at market value plus
miscellaneous transfer costs.**

**\$14,000 (for landscaping plan, granite, and installation of
plants along projects' mutual border)**

**TOTAL Private Sector ESP Project Match:
\$35,316**

28. Local utility or other infrastructure expenditures:

a) What local public utility or other infrastructure expenditures will need to be made in connection with the 1) private sector project, and 2) the ESP project.

1) Private sector project

None.

2) ESP project

<u>IMPROVEMENT</u>	<u>COST</u>
Relocation of existing utility poles	\$ 40,000
Traffic signal upgrades	\$150,000

29. How will the infrastructure expenditures listed in #28 above be funded?

City of Avondale Highway Users Revenue Funds (HURF) Bonds

30. List below the major milestone activities to be completed in the project and the time schedules for each.

<u>ACTIVITY</u>	<u>START</u>	<u>END</u>
Sewer line installation/hookup	8/1/95	8/11/95
Van Buren street widening/ intersection improvements	8/14/94	8/25/95
Van Buren Pavement overlay	8/28/95	9/1/95

31. How soon after receiving approval of your ESP proposal could you begin construction on:

a) Private sector project.

Immediately upon completion of the ESP project.

b) ESP project.

Actual construction would commence approximately August 1, 1996. Preconstruction activities would begin immediately upon approval of our ESP proposal.

32. How long will the private sector project take to complete from start to finish?

Approximately one year upon completion of the ESP project.

How long will the ESP project take to complete from start to finish?

Approximately four weeks.

33. Is there any opposition to either the private sector project or the ESP project? If so, from whom and what is the nature of the opposition.

There is no opposition of any kind to either the private sector project or the ESP project.

34. Has this applying entity ever received any previous ESP grant funds?

No.

35. a) Is project located in disadvantaged area of state?

YES. The entire Auto/Commercial District area of the City of Avondale, which includes both the ESP project and the related private sector project are within the Western Maricopa Enterprise Zone. This is a designation for economically disadvantaged areas of the state. In addition, the entire Auto/Commercial District area is designated as a redevelopment area for commercial development by the City of Avondale.

- b) Is project located in a rural area of the state?

YES. The City of Avondale, although located just outside of the City of Phoenix city limits, is considered a rural area by various federal, state, county, and local agencies for funding purposes. This is due to our large agricultural land base and relatively small population in proportion to our city's annexed land area. Avondale's population at the end of 1995 was just over 23,000 persons located in the 52 square mile area within the city limits.

36. Certification:

I certify that this project is compatible with other transportation facilities and conforms to all applicable construction and engineering standards.

NAME: Bill Bates DATE: March 24, 1996

TITLE: Public Works Director

SIGNATURE: Jim McNeill, P.E. for Bill Bates

TELEPHONE NUMBER: (602) 932-1909

NAME OF CONTACT PERSON: Bill Bates

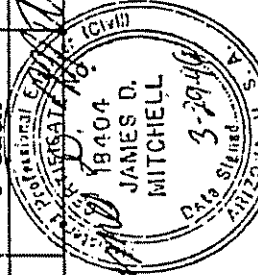
SUMMARY

- 1) Funding of this project will retain 44 permanent jobs and directly add 44 additional jobs.
- 2) The \$50,000 request will leverage an additional \$241,075 of City ESP project matching funds and private sector matching funds of \$35,000, as well as indirectly support the private sector related project of \$3,835,000, for a total leverage of \$4,111,075.
- 3) The total capital investment by the City of Avondale for the ESP project is \$291,076. The total capital investment by the private sector company for the related project is \$3,835,000.
- 4) The conservative estimated impact on our sales tax base is to directly increase the auto dealership sector of our sales tax revenues by a minimum of 31% annually beginning in FY 1995 - 96 and indirectly increase our overall sales tax revenues by a minimum of 6% annually.
- 5) The entire Auto/Commercial District area of the City of Avondale, which includes both the ESP project and the related private sector project are within the Western Maricopa Enterprise Zone. This is a designation for economically disadvantaged areas of the state. In addition, the entire Auto/Commercial District area is designated as a redevelopment area for commercial development by the City of Avondale.
- 6) The City of Avondale, although located just outside of the City of Phoenix city limits, is considered a rural area by various federal, state, county, and local agencies for funding purposes. This is due to our large agricultural land base and relatively small population in proportion to our city's annexed land area.
- 7) The ESP project demonstrates a unified, coordinated economic development effort because it is part of the City's Avondale Auto District Development Plan which is currently underway.
- 8) Both the ESP project and the related private sector project will have an immediate and significant impact on our economy. Our auto dealerships currently bring in 20% of sales tax revenues (1993-94). These dealers are our largest single source of sales tax revenues.

ATTACHMENT A BUDGET DETAIL SCHEDULE

Note: No contingency costs should be included in the Grand Total of project costs.

ACTIVITY	LABOR OR UNIT PRICE	MATERIALS OR NUMBER OF UNITS	TOTAL CONSTRUCTION COSTS	ARCHITECTURAL/ ENGINEERING COSTS	TOTAL ACTIVITY COSTS	PROJECTED ANNUAL OPERATIONS & MAINTENANCE COSTS
Subgrade Prep	\$ 1.00	1,687 SY	\$ 1,687.00			
Pavement Removal	2.00	1,872 SY	3,744.00			
Concrete Removal	.50	1,020 SF	510.00			
Curb Removal	2.00	220 LF	440.00			
Mill Pavement Edge	2.00	1,030 SY	2,060.00			
New Curb and Gutter	6.50	2,133 LF	13,865.00			
New A.C. Pavement Replacement	9.00	3,376 SY	30,384.00			
New Sidewalk	1.20	10,460 SF	12,552.00			
Intersection Returns Compl.	1,098	3 each	3,294.00			
Driveways, 3 each	2.50	450 SF	1,125.00			
Road, Sidewalk Brick Pavers	2.50	3,100 SF	7,750.00			
Parkway Grading	2,000	1 LS	2,000.00			
A.C. Pavement Overlay 2"	2.50	12,200 SY	30,500.00			
Raise Manholes	240.00	6 each	1,440.00			
Grand Total Subtotal			113,351.00			



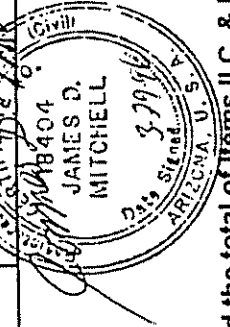
James D. Mitchell
Signature of Registered Professional

*Should match Item 23 in the Application and the total of Items II C. & D.(1) & (2) in Sources of Funds (Attachment B)

ATTACHMENT A BUDGET DETAIL SCHEDULE

Note: No contingency costs should be included in the Grand Total of project costs.

ACTIVITY	LABOR OR UNIT PRICE	MATERIALS OR NUMBER OF UNITS	TOTAL CONSTRUCTION COSTS	ARCHITECTURAL/ ENGINEERING COSTS	TOTAL ACTIVITY COSTS	PROJECTED ANNUAL OPERATIONS & MAINTENANCE COSTS
Raise Water Valve Boxes	\$ 210.00	11 ea.	\$ 2,310.00			
18" RGRCP Storm Drain	32.00	300 LF	9,600.00			
Catch Basin	1,400.00	5 ea.	7,000.00			
Scuppers	1,200.00	2 ea.	2,400.00			
8" PVC SOR-35 Sewer ML	30.00	900 LF	27,000.00			
48" Sewer MH	2,200.00	4 ea.	8,800.00			
Sewer Service Lines	13.00	100 LF	1,300.00			
Pavement Replacement	25.00	533 SY	13,325.00			
Relocate/Reconst. Irr. Box	1,800.00	1 ea.	1,800.00			
Constr. Block Fence for Irr.	36.00	240 LF	8,640.00			
Replace Traffic Loops	600.00	4 ea.	2,400.00			
Arch. Street Lights	3,500.00	9 ea.	31,500.00			
Striping	1,800.00	1 LS	1,800.00			
Traffic Control	12,000.00	1 LS	12,000.00			
Grand Total Subtotal			128,875.00			



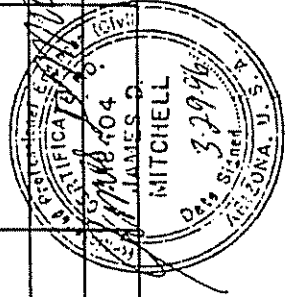
James D. Mitchell
Signature of Registered Professional

*Should match Item 23 in the Application and the total of Items II C. & D.(1) & (2) in Sources of Funds (Attachment B)

ATTACHMENT A BUDGET DETAIL SCHEDULE

Note: No contingency costs should be included in the Grand Total of project costs.

ACTIVITY	LABOR OR UNIT PRICE	MATERIALS OR NUMBER OF UNITS	TOTAL CONSTRUCTION COSTS	ARCHITECTURAL/ ENGINEERING COSTS	TOTAL ACTIVITY COSTS	PROJECTED ANNUAL OPERATIONS & MAINTENANCE COSTS
Landscaping Plants	\$ 2.50	1,600	\$ 4,000.00			
8" Water Lateral Stub	20	110 LF	2,200.00			
Tapping Sleeve & Valve	1,200	2 ea.	2,400.00			
Fire Hydrant Complete	1,500	1 ea.	1,500.00			
Relocate Existing Fire Hyd.	800	1 ea.	800.00			
Pavement Replacement	25	30 SY	750.00			
Engineering (15%)				37,900		
PAGE SUBTOTAL			11,650.00	37,900		
Grand Totals			\$252,876	37,900	\$290,776	\$20,200



James D. Mitchell
Signature of Registered Professional

ATTACHMENT B

SOURCES AND USES STATEMENT

I. USES:

A. Private Sector Related

1.	Acquisition of Existing Building with land	\$ _____
2.	Site Acquisition (vacant land)	\$ a) 435,000 and b) 265,00
3.	New building construction	\$ 385,000 (phase A)
4.	Remodeling	\$ _____
5.	Machinery and Equipment	\$ 250,000
6.	Site preparation	\$ _____
7.	Other <u>Inventory (Vehicles)</u>	\$ 2,500,000
	Sub Total	\$ _____

B. Public Sector Related

1.	Total ESP project improvements (Grand Total of Total Activity Costs in Attachment A and Item 23 in the Application)	\$ 291,076
2.	Local public sector improvements (Infrastructure improvements directly related to the project and located on or contiguous to the project site. Do not include ESP related costs here)	\$ 190,000
		\$ _____
3.	Other <u>Private Sector Match</u> <u>Public Sector Match</u>	\$ 35,316 4,000

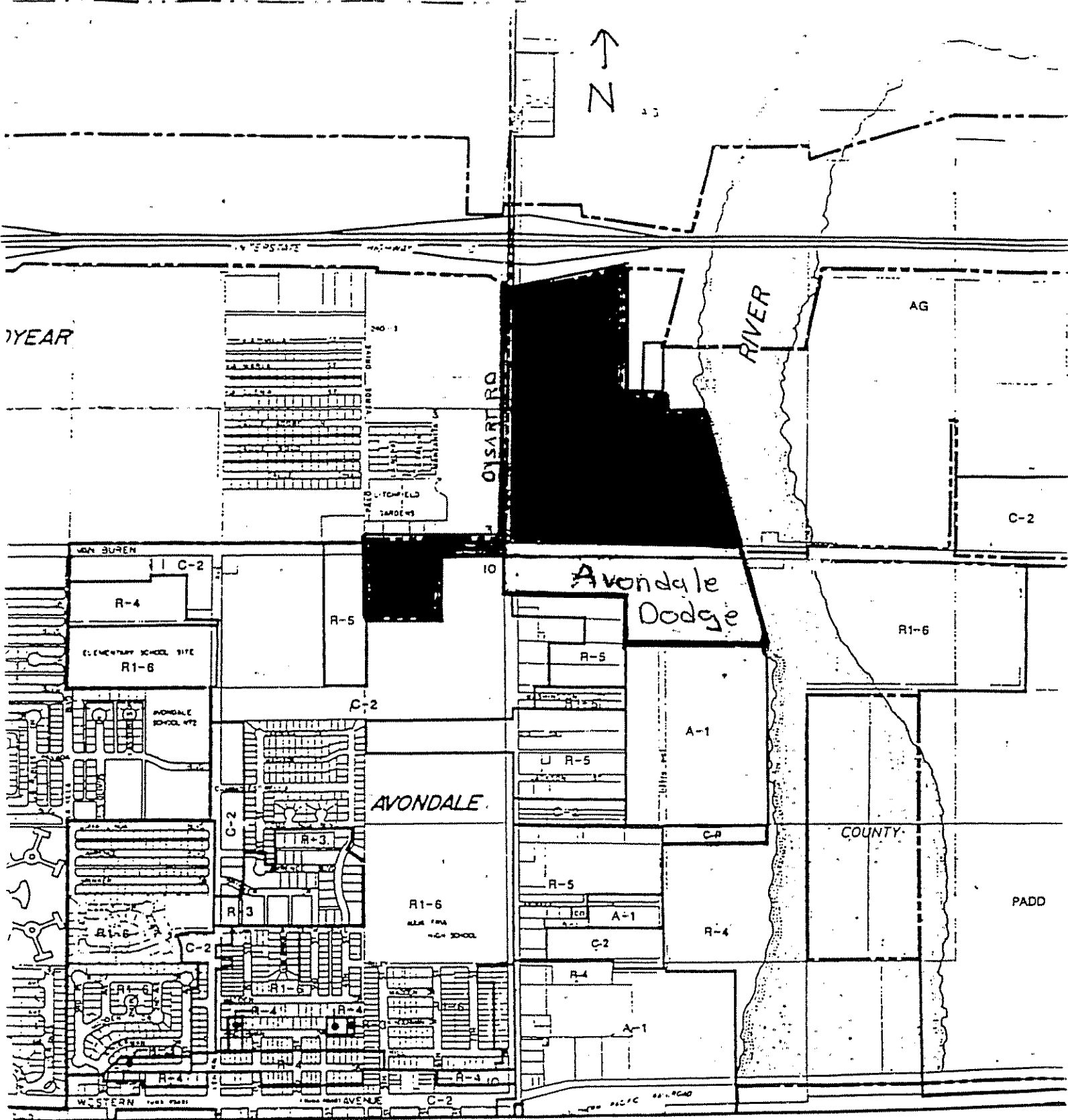
C. Total Uses \$ 4,355,392 *

II. SOURCES:

A.	Private sector project investment ((Item 18 b) Total))	\$ 3,835,000
B.	Local public sector (direct project related)	\$ 291,076
C.	Economic Strength Projects Fund (State funds) (Item 26)	\$ 50,000
D.	ESP match	
	(2) From the public sector ((Items 27 a)(1)(2) &(3))	\$ 4,000
	(1) From the private sector ((Item 27 b))	\$ 35,316
E.	Other <u>Public Sector Improvements</u>	\$ 190,000
F.	Total Sources	\$ 4,355,392 *

* Total Uses (I.C.) must equal Total Sources (II.F.)

APPENDIX



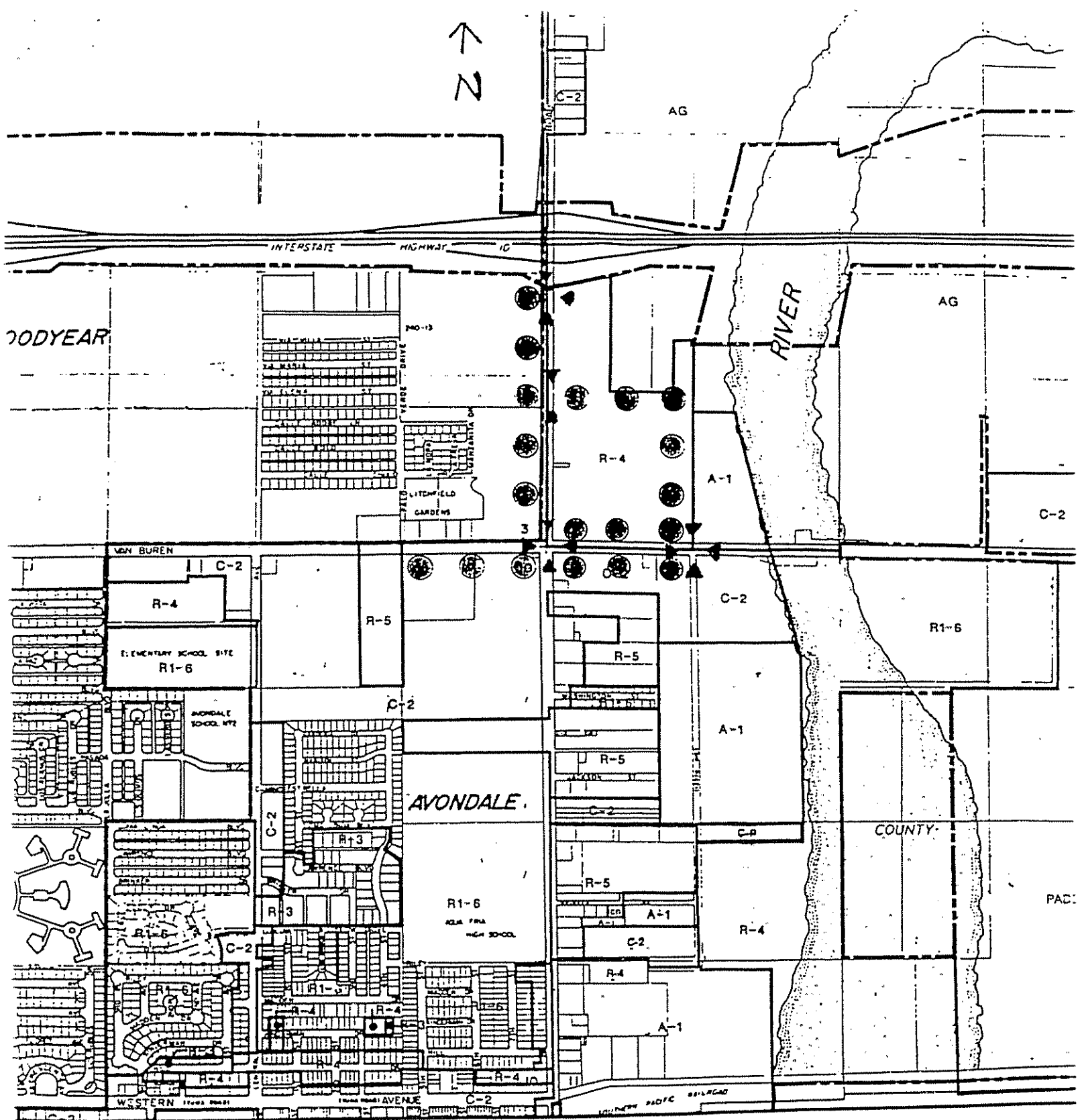
City of
Avondale

AVONDALE
AUTO DISTRICT

DISTRICT BOUNDARY

LEGEND

DISTRICT BOUNDARY
ESP Project



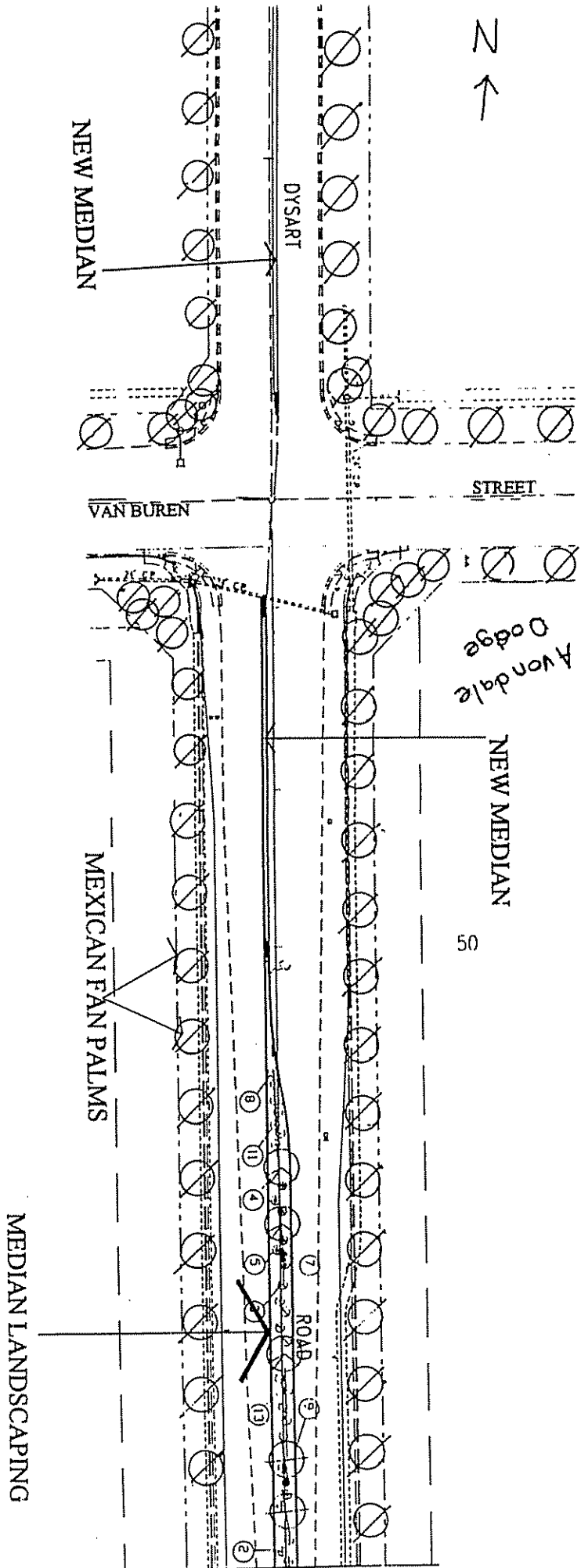
City of
Avondale

STREET UPGRAD

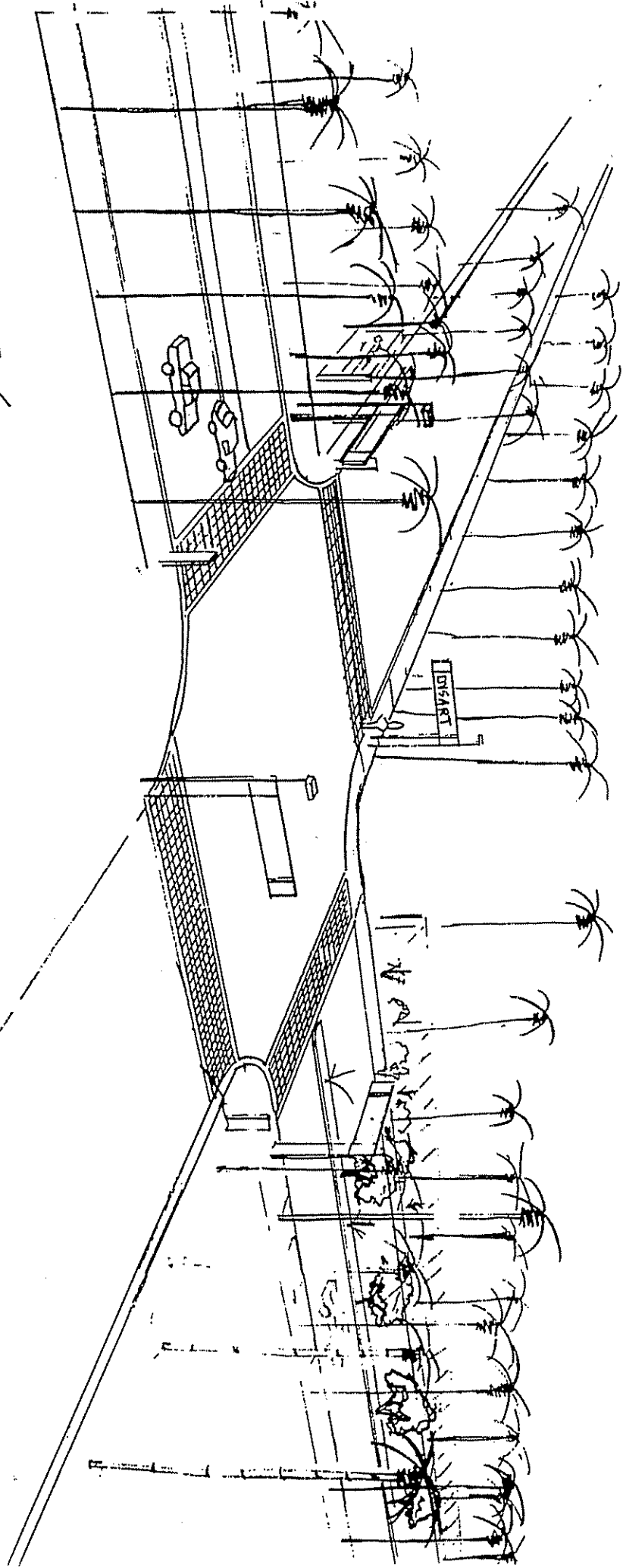
LEGEND

- ⊙ STREET LIGHTS
- ◀ SIGNAL UPGRADES

STREET IMPROVEMENTS-STANDARD



N
→



A. CRLSON CONSTRUCTION COMPANY-COST SUMMARY REPORT
 Job Num: Avondale Dodge
 Job Dec: LOUIS CHRYSLER EXPANSION
 Sq. Ft.: 12500
 Date:

	DESCRIPTION	TOTAL	SQ. FT COST
	SUMMARY		
01	General Requirements	\$23,827	\$1.91
02	Sitework	\$30,310	\$2.42
03	Site Utilities	\$14,100	\$1.13
04	Landscaping	\$2,000	\$0.16
05	Concrete	\$40,700	\$3.26
06	Conc. Precast/Site Cast	\$0	\$0.00
07	Masonry	\$4,100	\$0.33
08	Metals	\$685	\$0.05
09	Wood & Plastics	\$1,170	\$0.09
10	Thermal & Moist. Prot.	\$4,067	\$0.33
11	Doors	\$1,868	\$0.15
12	Glass & Hardware	\$20,233	\$1.62
13	Lath & Plaster	\$8,900	\$0.71
14	Drywall Work	\$12,000	\$0.96
15	Ceramic Tile Work	\$15,359	\$1.23
16	Acoustical Ceiling	\$7,140	\$0.57
17	Floor Covering	\$0	\$0.00
18	Painting & Wall Covering	\$3,550	\$0.28
19	Specialities	\$992	\$0.08
20	Equipment	\$0	\$0.00
21	Furnishings	\$0	\$0.00
22	Special Construction	\$61,809	\$4.94
23	Conveying Systems	\$0	\$0.98
24	Fire Protection	\$12,240	\$0.98
25	Plumbing	\$12,741	\$1.02
26	Heat, Vent & A/C	\$24,991	\$2.00
27	Electrical	\$36,930	\$2.95
28	Alarms & Security	\$0	\$0.00
29	Architectural	\$0	\$0.00
30	Extra Work Orders	\$0	\$0.00
31	Other Work	\$0	\$0.00
32	Contingency	\$0	\$0.00
	DIRECT CONSTRUCTION COST	\$339,712	\$27.18
	FEE:		
	Overhead	\$7,000	\$0.56
	Profit	\$16,000	\$1.28
	Sales Taxes	\$16,685	\$1.33
	Bonds	\$14,512	\$1.16
	ALTERNATE NUMBER 1		
	TOTAL PROJECT AMOUNT LESS ALTERNATE #1	\$379,397	\$30.35

V/C Cur	V/C Fut	Acc Rate	Fac	Vol	Cont	Land Use	RRS MAG Fwy	HOV	FMS	Sig Loc	Sig Reg	Acc	Curb	Shldr	Pave Dirt	Ped	Land scape	Bus Pull Outs	Bike Plan	Bike Up-grade	Tran Pass/Mile	Tran Bike Rack	Tran Core Zone	Tran Park Ride
1	1	0.73	3	8100	2	1	0	0	0	0	0	0	1	1	0	1	1	0	0	0	0	0	0	0
1	1		3	8100	4	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1	2	0.80	3	8000	4	1	0	0	0	0	0	0	1	1	0	1	1	1	0	0	0	0	0	0
1	2		3	4000	4	1	0	0	0	0	0	1	1	1	0	1	1	0	0	0	0	0	0	0
1	1		3	3000	4	1	0	0	0	0	0	1	1	1	0	1	1	0	0	0	0	0	0	0
1	1	1.00	3	2000	4	1	0	0	0	0	0	0	1	1	0	1	1	0	0	0	0	0	0	0
1	1		3	600	1	1	0	0	0	0	0	1	1	1	1	1	1	0	0	0	0	0	0	0
1	2	0.75	3	4500	4	1	0	0	0	0	0	0	1	1	0	1	1	0	0	0	0	0	0	0

TIP INFORMATION FOR FY 1996-2000

Proj	Cord	Agency	FY	Location	Worktype	Length	Lane Bef	Lane After	Funds	Local #	Federal	Total Cost	Stat	Reg Sig	Mode	Mgt Sys	Zone
	H2	AVONDALE	1996	107TH AVE. PALM LANE TO MCDOWELL RD.	RE- RECONSTRUCT ROAD. ADD TWO LANES AND CURB, GUTTER AND SIDEWALK.	0.30	2	4	PRIVAT E	250000	0	250000	6	1	2	1	3
	H1	AVONDALE	1996	MCDOWELL RD.: 107TH TO 113TH AVE.	WIDEN AND RECONSTRUCT ROAD, ADD ONE WEST BOUND LANE AND A LEFT TURN LANE. ADD CURB, GUTTER AND SIDEWALK.	0.70	4	5	PRIVAT E	300000	0	300000	6	1	2	1	3
		AVONDALE	1997	DYSART RD.: INDIAN SCHOOL RD. TO MCDOWELL RD.	ADD ONE NORTH BOUND LANE. ADD CURB, GUTTER AND SIDEWALK.	2.00	4	5	PRIVAT E	600000	0	600000	6	1	2	1	3
		AVONDALE	1997	DYSART RD.: INDIAN SCHOOL RD. TO THOMAS RD.	ADD ONE SOUTH BOUND LANE. ADD CURB, GUTTER AND SIDEWALK.	1.00	5	6	PRIVAT E	300000	0	300000	6	1	2	1	3
		AVONDALE	1997	THOMAS RD.: AGUA FRIA RIVER TO DYSART RD.	WIDEN ROAD TO ADD ONE LEFT TURN LANE AND ADD CURB, GUTTER AND SIDEWALK ON NORTH SIDE.	1.00	2	2	PRIVAT E	300000	0	300000	6	0	2	7	3
		AVONDALE	1997	THOMAS RD.: DYSART RD. TO 133RD AVE.	WIDEN NORTH SIDE AND ADD LEFT TURN LANE, ADD CURB, GUTTER AND SIDEWALK.	0.60	2	2	PRIVAT E	200000	0	200000	6	0	2	7	3
		AVONDALE	1997	THOMAS RD.: 133D. AVE. TO LITCHFIELD RD.	NEW CONSTRUCTION.	0.50	0	2	PRIVAT E	350000	0	350000	6	0	2	1	3
		AVONDALE	1997	INDIAN SCHOOL RD.: DYSART RD. TO 127TH AVE.	WIDEN SOUTH SIDE OF ROAD TO PROVIDE FOR LEFT TURN LANE, AND ADD CURB, GUTTER AND SIDEWALK.	0.70	4	4	PRIVAT E	220000	0	220000	6	0	8	4	3

V/C	V/C	Acc	Fac	Vol	Cont	Land Use	RRS MAG Fwy	HOV	FMS	Sig Loc	Sig Reg	Acc	Curb	Shldr	Pave Dirt	Ped	Land scape	Bus Pull Outs	Bike Plan	Bike Up-grade	Tran Pass/Mile	Tran Bike Rack	Tran Core Zone	Tran Park Ride
1	2		3	4500	4	1	0	0	0	0	0	0	1	1	1	1	1	0	1	2	0	0	0	0
1	1		3	2000	4	1	0	0	0	0	0	0	1	1	0	0	1	0	0	0	0	0	0	0
1	1		3	9000	4	1	1	0	0	0	0	0	1	1	0	0	1	0	1	2	0	0	0	0
1	1		3	9000	0	1	1	0	0	0	0	0	1	1	0	0	1	0	1	2	0	0	0	0
1	1		3	800	4	1	0	0	0	0	0	0	1	1	0	0	1	0	1	2	0	0	0	0
1	1		3	200	4	1	0	0	0	0	0	1	1	1	0	1	1	0	1	2	0	0	0	0
1	1		3	200	1	1	0	0	0	0	0	1	1	0	1	1	1	0	1	2	0	0	0	0
1	2	0.80	3	5000	4	1	0	0	0	0	0	0	1	1	0	0	1	1	0	0	0	0	0	0

TIP INFORMATION FOR FY 1996-2000

Proj	Cord	Agency	FY	Location	Worktype	Length	Lane Bef	Lane After	Funds	Local #	Federal	Total Cost	Stat	Reg Slg	Mode	Mgt Sys	Zone
		AVONDALE	1997	MCDOWELL RD.: DYSART RD. TO RANCHO SANTA FE BLVD.	WIDEN NORTH SIDE OF ROAD FOR ADDITIONAL WEST BOUND LANE AND A LEFT TURN LANE. ADD CURB, GUTTER AND SIDEWALK	0.40	4	5	PRIVAT E	400000	0	400000	6	1	2	1	3
		AVONDALE	1998	VAN BUREN ST.: AGUA FRIA RIVER TO 117TH AVE.	WIDEN SOUTH SIDE OF ROAD FOR ADDITIONAL EAST BOUND LANE AND A LEFT TURN LANE. ADD CURB, GUTTER AND SIDEWALK	0.60	2	3	PRIVAT E	325000	0	325000	6	1	2	1	3
	G1	AVONDALE	1998	115TH AVE.: VAN BUREN TO BRINKER	WIDEN ROAD FOR ADDITIONAL SOUTH BOUND LANE AND A LEFT TURN LANE. ADD CURB, GUTTER AND SIDEWALK	0.60	2	3	PRIVAT E	350000	0	350000	6	1	2	1	3
	H2	AVONDALE	1999	THOMAS RD.: R.I.D. TO 107TH AVE.	WIDEN NORTH SIDE OF ROAD FOR LEFT TURN LANE. ADD CURB, GUTTER AND SIDEWALK.	0.60	2	2	SFP 447F 603,000	68888 603,000	-540000 0	600000	6	0	8	4	3

V/C Cur	V/C Fut	Acc Rate	Fac	Vol	Cont	Land Use	RRS MAG Fwy	HOV	FMS	Sig Loc	Sig Reg	Acc	Curb	Shldr	Pave Dirt	Ped	Land scape	Bus Pull Outs	Bike Plan	Bike Up-grade	Tran Pass/Mile	Tran Bike Rack	Tran Core Zone	Tran Park Ride
1	1		3	1000	4	1	0	0	0	0	0	0	1	1	0	0	1	0	0	0	0	0	0	0
1	2		3	4000	4	1	0	0	0	0	0	0	1	1	0	0	1	1	0	0	0	0	0	0
1	1		3	3000	4	1	0	0	0	0	0	0	1	1	0	0	1	0	0	0	0	0	0	0
1	1	0.75	3	3000	4	1	0	0	0	0	0	0	1	1	0	0	1	0	0	0	0	0	0	0

**CITY OF AVONDALE
CAPITAL IMPROVEMENT PROGRAM PLAN
FINAL DRAFT
January 11, 1994**

CITY OF AVONDALE
CAPITAL IMPROVEMENT PROJECT PLAN
SUMMARY OF STREET PROJECTS

PROJECT NUMBER	PROJECT TITLE	FY 95/96	FY 96/97	FY 97/98	FY 98/99	FY 99/00	2000-05	TOTAL
ST001	Glen Air Farms Improvements	500,000	0	0	0	0	0	500,000
ST002	115th Avenue - McDowell to Encanto	0	324,000	0	0	0	0	324,000
ST003	Las Ligas Area Streets	0	0	120,000	0	0	0	120,000
ST004	Van Buren - Dysart to Agua Fria	220,000	0	0	0	0	0	220,000
ST005	McDowell - 115th to 111th	0	0	160,000	0	0	0	160,000
ST006	Dysart - McDowell to Indian School	2,500,000	0	0	0	0	0	2,500,000
ST007	Welland Street Improvements	2,000,000	0	0	0	0	0	2,000,000
ST008	Western Avenue Landscaping	15,000	0	0	0	0	0	15,000
ST009	Dysart Road Landscaping	141,000	0	0	0	0	0	141,000
ST010	107th Avenue Landscaping	0	0	50,000	0	0	0	50,000
ST011	Sidewalks	50,000	50,000	50,000	50,000	50,000	0	250,000
ST012	Main Street Pavement Repair	125,000	0	0	0	0	0	125,000
ST013	Miscellaneous Pavement Repairs	300,000	200,000	100,000	100,000	100,000	0	600,000
ST014	Garcian Lakes Pavement Overlay	400,000	0	0	0	0	0	400,000
ST015	Van Buren Pavement Overlay	300,000	0	0	0	0	0	300,000
ST016	Miscellaneous Drainage Projects	65,000	50,000	50,000	50,000	50,000	0	285,000
ST017	Cashion Drainage	15,000	0	0	0	0	0	15,000
ST018	Dysart Street Lights	170,000	0	0	0	0	0	170,000
ST019	Cashion Street Lights	50,000	50,000	50,000	50,000	50,000	0	250,000
ST020	Van Buren Street Lights	0	0	125,000	0	0	0	125,000
ST021	Southern Avenue Street Lights	0	0	0	140,000	0	0	140,000
ST022	Dysart & Thomas Traffic Signal	160,000	0	0	0	0	0	160,000
ST023	Buckeye Traffic Light	100,000	0	0	0	0	0	100,000
ST024	Gila River Bridge	825,000	0	12,350,000	0	0	0	13,175,000
	TOTAL PROJECT COST	8,018,000	674,000	13,075,000	390,000	250,000	0	22,405,000
PROJECT FUNDING:								
	G.O. Bonds	2,000,000	0	0	0	0	0	2,000,000
	Revenue Bonds	400,000	0	0	0	0	0	400,000
	Lease/Purchase	0	0	0	0	0	0	0
	Grant	3,650,000	50,000	9,617,500	161,500	50,000	0	13,449,000
	Other	1,628,000	424,000	437,500	106,500	100,000	0	2,716,000
	Developer Contribution	340,000	200,000	3,100,000	100,000	100,000	0	3,840,000
	Unfunded	0	0	0	0	0	0	0
	TOTAL PROJECT FUNDING	8,018,000	674,000	13,075,000	390,000	250,000	0	22,405,000

PROJECT NUMBER: 6T004
PROJECT TITLE: Van Buren - Dysart to Agua Fria

PROJECT DESCRIPTION:
Street widening

PROJECT LOCATION:
Van Buren Road from Dysart Road to Agua Fria River

PROJECT BENEFITS:
Improve safety and enhance accessibility

OTHER COMMENTS:

	FY 03/06	FY 06/07	FY 07/08	FY 08/09	FY 09/10	2000-05	TOTAL
PROJECT COST:							
Engineering/design	0	0	0	0	0	0	0
Construction	220,000	0	0	0	0	0	220,000
Land	0	0	0	0	0	0	0
Equipment	0	0	0	0	0	0	0
Labor by City forces	0	0	0	0	0	0	0
TOTAL PROJECT COST	220,000	0	0	0	0	0	220,000
PROJECT FUNDING:							
G.O. Bonds	0	0	0	0	0	0	0
Revenue Bonds	0	0	0	0	0	0	0
Lease/Purchase	0	0	0	0	0	0	0
Grant	0	0	0	0	0	0	0
Other:	220,000	0	0	0	0	0	220,000
Developer Contribution	0	0	0	0	0	0	0
Unfunded	0	0	0	0	0	0	0
TOTAL PROJECT FUNDING	220,000	0	0	0	0	0	220,000

PROJECT NUMBER: 81016
PROJECT TITLE: Van Buren Pavement Overlay

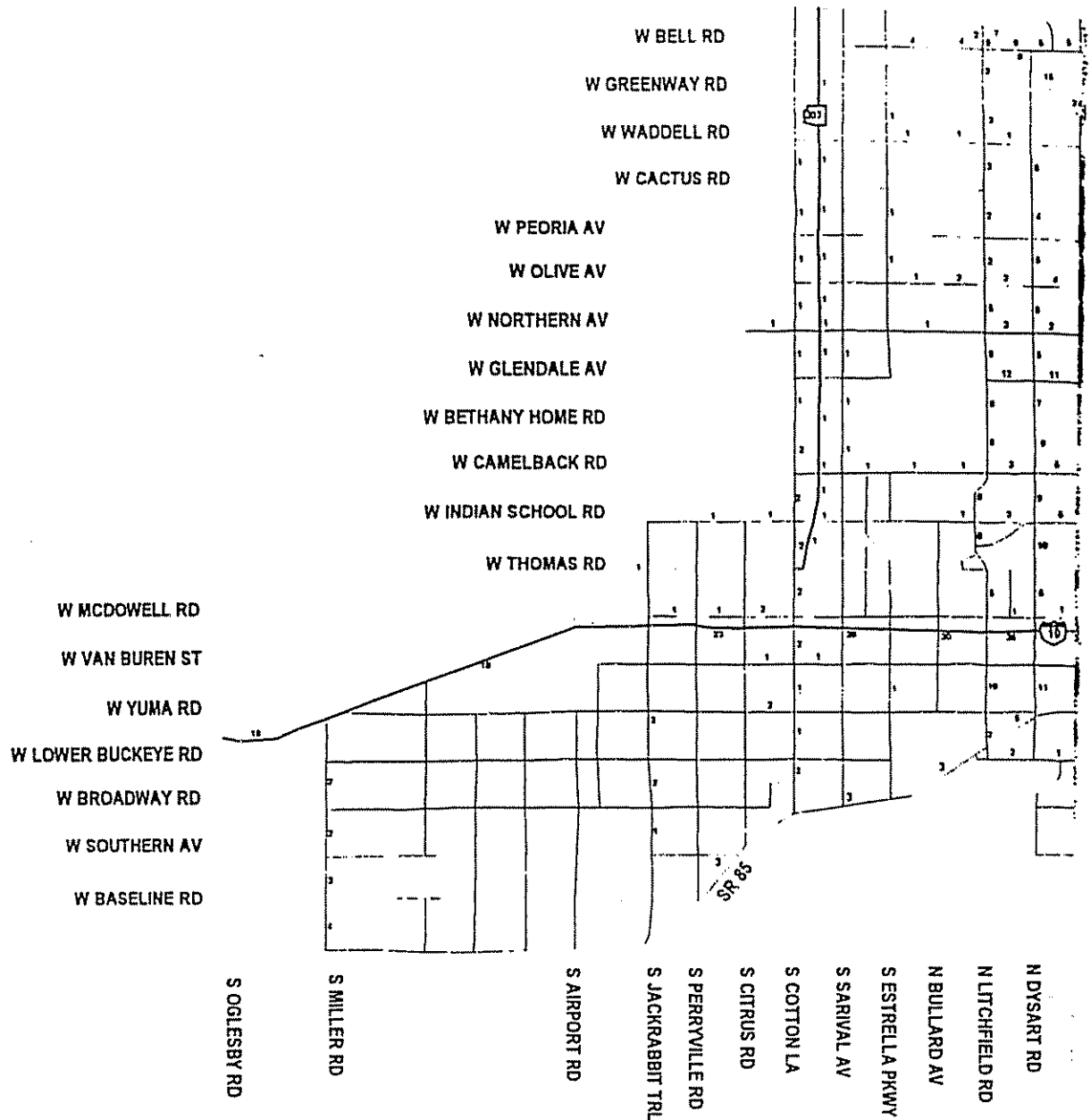
PROJECT DESCRIPTION:
Pavement overlay

PROJECT LOCATION:
Van Buren Road from La Jolla to Agua Fria River

PROJECT BENEFITS:

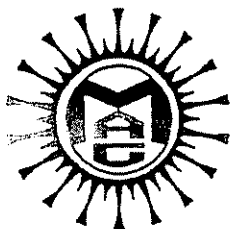
OTHER COMMENTS:

	FY 95/96	FY 96/97	FY 97/98	FY 98/99	FY 99/00	2000-05	TOTAL
PROJECT COST:							
Engineering/design	0	0	0	0	0	0	0
Construction	300,000	0	0	0	0	0	300,000
Land	0	0	0	0	0	0	0
Equipment	0	0	0	0	0	0	0
Labor by City forces	0	0	0	0	0	0	0
TOTAL PROJECT COST	300,000	0	0	0	0	0	300,000
PROJECT FUNDING:							
G.O. Bonds	0	0	0	0	0	0	0
Revenue Bonds	300,000	0	0	0	0	0	300,000
Lease/Purchase	0	0	0	0	0	0	0
Grant	0	0	0	0	0	0	0
Other:	0	0	0	0	0	0	0
Developer Contribution	0	0	0	0	0	0	0
Unfunded	0	0	0	0	0	0	0
TOTAL PROJECT FUNDING	300,000	0	0	0	0	0	300,000



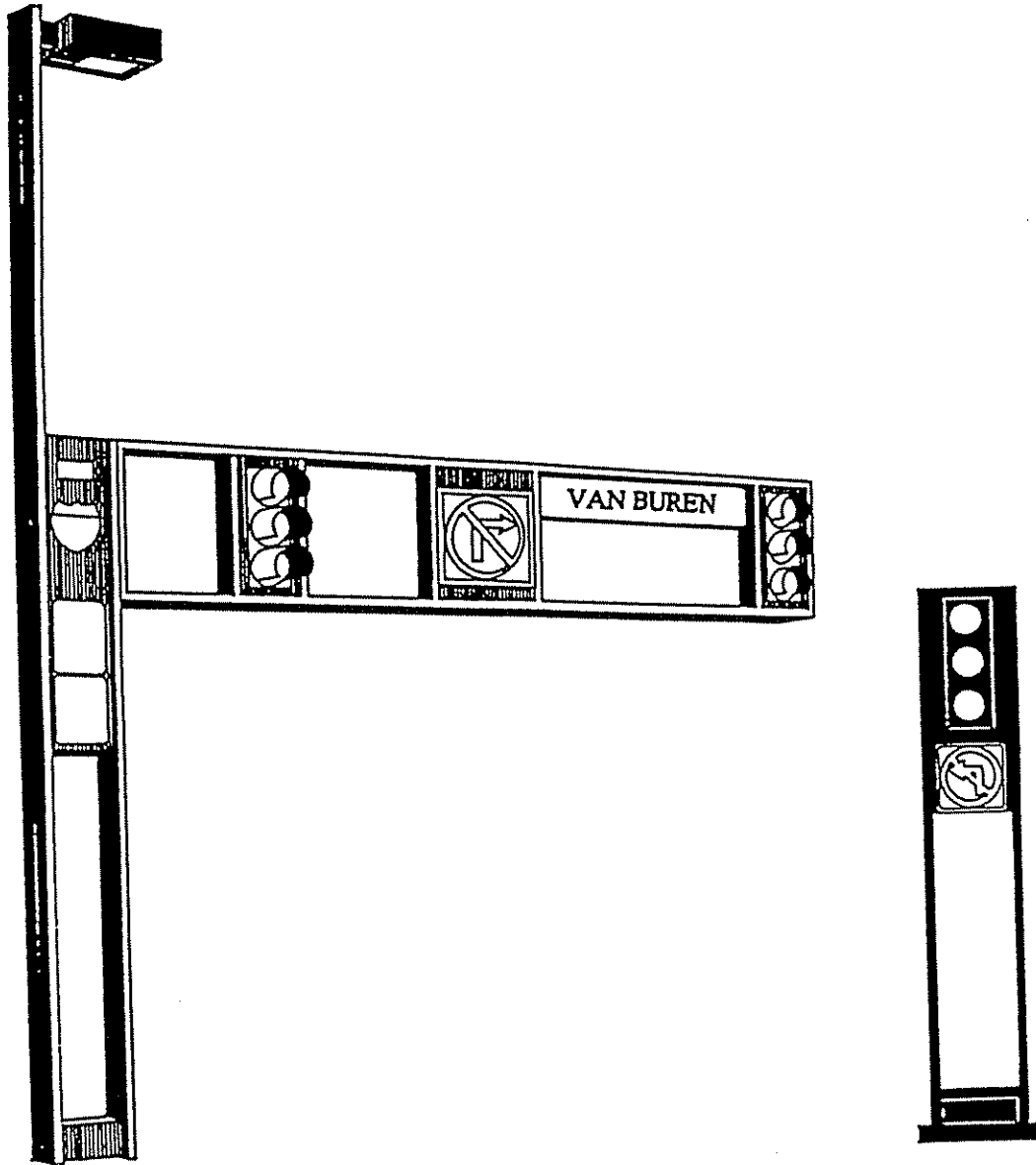
1993

AVERAGE WEEKDAY TRAFFIC In Thousands of Vehicles per Weekday

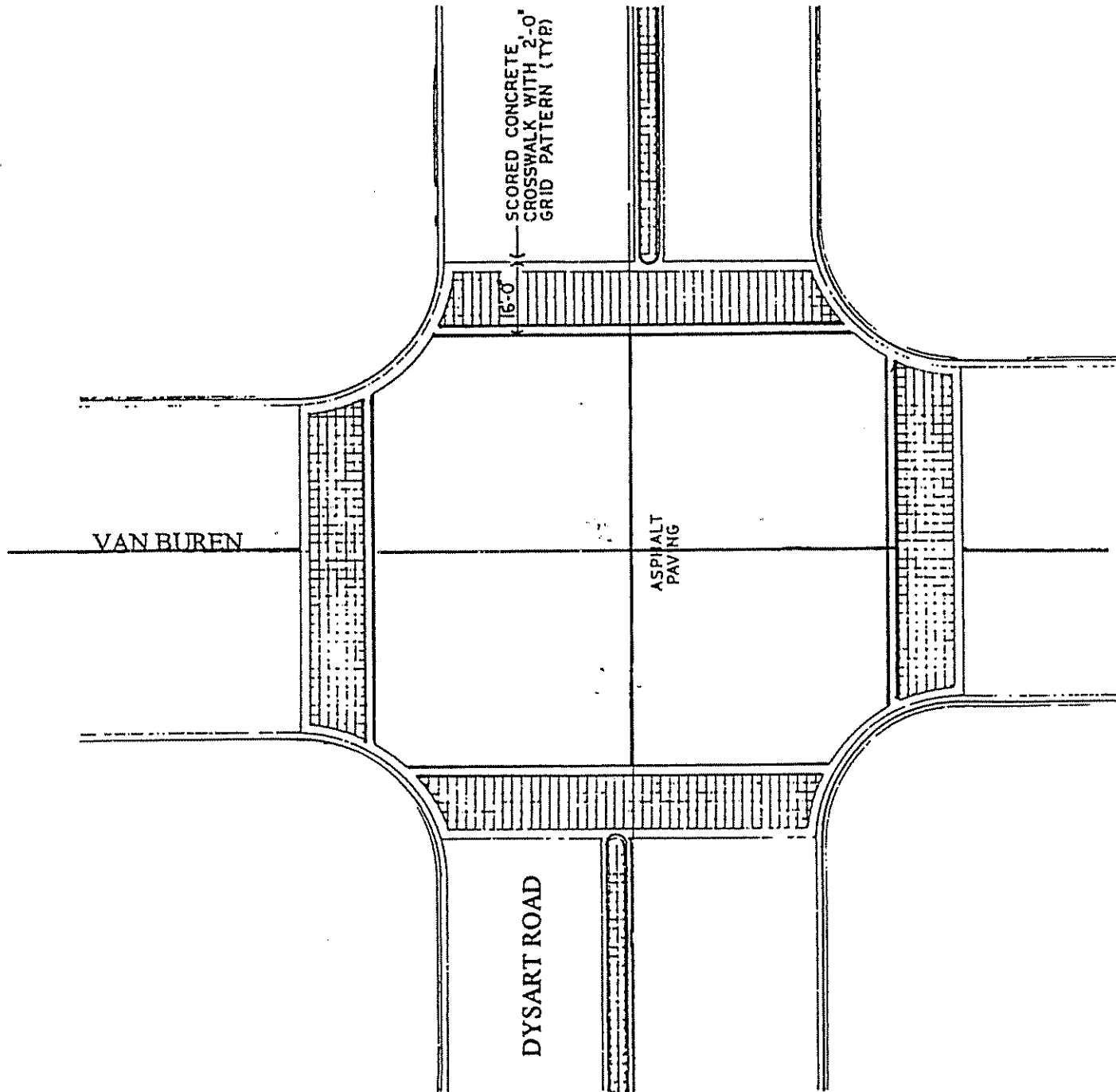


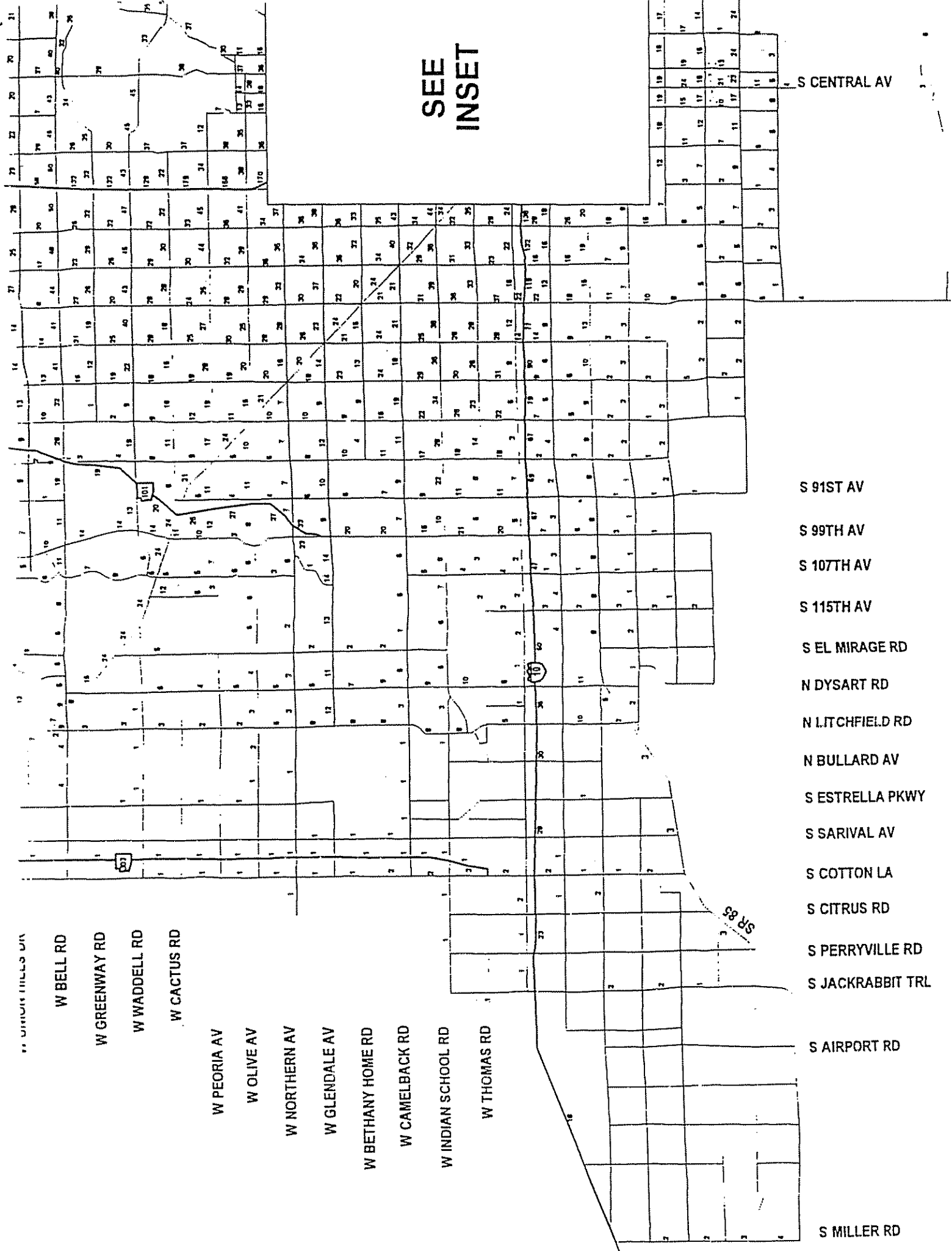
MARICOPA ASSOCIATION OF GOVERNMENTS
Transportation and Planning Office
Phoenix, Arizona
August 1994

TRAFFIC LIGHT MODULE STANDARD



TYPICAL INTERSECTION STANDARD





SEE
INSET

S CENTRAL AV

S 91ST AV

S 99TH AV

S 107TH AV

S 115TH AV

S EL MIRAGE RD

N DYSART RD

N LITCHFIELD RD

N BULLARD AV

S ESTRELLA PKWY

S SARIVAL AV

S COTTON LA

S CITRUS RD

S PERRYVILLE RD

S JACKRABBIT TRL

S AIRPORT RD

S MILLER RD

W BELL RD

W GREENWAY RD

W WADDELL RD

W CACTUS RD

W PEORIA AV

W OLIVE AV

W NORTHERN AV

W GLENDALE AV

W BETHANY HOME RD

W CAMELBACK RD

W INDIAN SCHOOL RD

W THOMAS RD



CITY OF AVONDALE

INCORPORATED 1946

525 NORTH CENTRAL AVENUE • AVONDALE, ARIZONA 85323 • PHONE: 932-2400

March 29, 1996

MAYOR
THOMAS F. MORALES, JR.

VICE MAYOR
HENRY BELTRAN

COUNCIL MEMBERS
ALBERT CARROLL, JR.
ORALIA C. CONTRERAS
RAYMOND H. SHUEY
MARIE LOPEZ-ROGERS
MIKE C. FEDERICO

CITY MANAGER
CARLOS V. PALMA

CITY CLERK
LINDA M. TYLER

CITY ATTORNEY
FRANK L. ROSS

Albert L. Nichols, - ESP Program Leader
Financial Services and Housing Development Division
Arizona Department of Commerce
3800 North Central Avenue, Suite 1500
Phoenix, AZ 85012

Dear Mr. Nichols:

Please find enclosed the City of Avondale's completed application for the Economic Strength Project funding for FY 1996, Round 2. This is the City of Avondale's second opportunity to apply for these Department of Commerce grant funds.

We are excited about both our proposed ESP project and the private sector project which our ESP project will support. The City of Avondale requests \$50,000 of ESP funding for a sewer line installation and road widening project in the heart of our Commercial/Auto District. This ESP project is necessary for, and in support of, the substantial expansion of our leading auto dealerships, the Avondale Dodge dealerships, as well as in support of our entire Commercial/Auto District. This project also addresses significant traffic safety, road improvement, and District aesthetic concerns.

Avondale has 15 dealership franchises and facilities in its Auto/Commercial District. No other southwestern Maricopa County city or town has any dealerships operating in their boundaries. Avondale is the hub for consumers looking to purchase a private vehicle. Our auto dealers directly bring in 20% of our sales tax revenues. We must retain and expand this vital component of our economy. This ESP project will significantly assist the City of Avondale in our goal. The payback will take only nine months to fully recover the cost of this essential project back in direct sales tax revenues. The timeframe is even shorter when indirect sales tax revenues are taken into consideration.

Our application addresses the scoring criteria and rating factors in the following eight ways.

- 1) Funding of this project will retain 44 permanent jobs and directly add 44 additional jobs.
- 2) The \$50,000 request will leverage an additional \$241,075 of City ESP

project matching funds and private sector matching funds of \$35,000, as well as indirectly support the private sector related project of \$3,835,000, for a total leverage of \$4,111,075.

- 3) The total capital investment by the City of Avondale for the ESP project is \$291,076. The total capital investment by the private sector company for the related project is \$3,835,000.
- 4) The conservative estimated impact on our sales tax base is to directly increase the auto dealership sector of our sales tax revenues by a minimum of 31% annually beginning in 1995-96 and directly increase our overall sales tax revenues by a minimum of 6% annually. The estimated indirect impact on our sales tax base is to increase our construction sales tax revenues by an additional \$30,566 just from the construction. There will also be additional sales tax revenues from ancillary services and businesses which relocate to the adjoining area as a direct result the Auto District expansion.
- 5) The entire Auto/Commercial District area of the City of Avondale, which includes both the ESP project and the related private sector project are within the Western Maricopa Enterprise Zone. This is a designation for economically disadvantaged areas of the state. In addition, the entire Auto/Commercial District area is designated as a redevelopment area for commercial development by the City of Avondale.
- 6) The City of Avondale, although located just outside of the City of Phoenix city limits, is considered a rural area by various federal, state, county, and local agencies for funding purposes. This is due to our large agricultural land base and relatively small population in proportion to our city's annexed land area.
- 7) The ESP project demonstrates a unified, coordinated economic development effort because it is part of the City's Avondale Auto District Development Plan which is currently underway.
- 8) Both the ESP project and the related private sector project will have an immediate and significant impact on our economy. Our auto dealerships currently bring in 20% of sales tax revenues (1993-94). These dealers are our largest single source of sales tax revenues.

As you can see, the funding of this ESP project is vital to the City of Avondale's short term and long range commercial and economic development plans. It also meets all of the scoring criteria necessary for highest consideration by the selection committee.

The City of Avondale is fully committed to the ESP project, the support of the related private sector project, all of our auto dealers, our Commercial/ Auto District, and to our City's mission. If you have any questions, please contact me at (602) 932-2400.

Sincerely,

A handwritten signature in cursive script, reading "Thomas Morales, Jr.", written in black ink.

Thomas Morales, Jr.
Mayor

cc: Carlos V. Palma, City Manager



CITY OF AVONDALE

MARCH 29, 1996
MR. CARLOS PALMA

THIS LETTER IS TO EXPRESS OUR INTENT TO EXPAND OUR CURRENT
AUTOMOBILE SALES AND SERVICE OPERATIONS.

OUR CURRENT FACILITY NOW EMPLOYS APPX. (55) FOURTY FULLTIME
AND (6) PARTTIME EMPLOYEES. THIS RELATES TO A JOB'S RELATED PAYROLL OF
\$1,610,804. FOR AVONDALE AUTOMOTIVE CORPORATION HERE IN AVONDALE
IN 1996.

OUR PROPOSED NEW EXPANSION WOULD BE A GROWTH OVER TIME TO
EQUAL OUR CURRENT PERMANENT AND PART TIME EMPLOYEES. AS YOU
WOULD HAVE TO AGREE THIS TYPE OF PROPOSED EXPANSION WOULD GREATLY
BENEFIT OUR CITY.

HOWEVER, THIS PROSED EXPANSION IS ALSO BURDENED BY INVESTMENT.
ONE OF THE MOST IMPORTANT NEEDS FOR US WOULD BE THE WIDING OF
VAN BUREN EAST OF THE RIVER.

ACCESS TO THIS TYPE OF COMMERCIAL ENTERPRISE IS OF UPMOST
IMPORTANCE, ALONG WITH THE NEED FOR SIDEWALKS, UTILITIES (WATER&
SEWER) AND LANDSCAPE BUFFERS. PLEASE UNDERSTAND THAT THIS PROJECT
WOULD AND COULD NOT BE CONSIDERED WITHOUT THESE IMPROVEMENTS TO
VAN BUREN.

THANK YOU,

SINCERELY,

SHARON TODD

SECRETARY & TREASURER
AVONDALE AUTOMOTIVE

INTRODUCTION

The City of Avondale, Arizona has a current population of approximately 25,000 people located in 52 square miles. It has a per capita income of \$8,000. It is a bedroom community within a short commuting distance of Phoenix, Arizona, one of the largest cities in the nation. Avondale's lifeblood is its sales tax revenues. 20% of these revenues are directly generated by its auto dealerships: Avondale Dodge/Dodge Truck/Chrysler/Plymouth/Jeep/Eagle/Used Cars, Joe Gambino Chevrolet/Geo, and Country Pontiac/GMC/GMC Truck/Used Cars. No other city in the southwest area of metropolitan Phoenix has any new car dealerships operating in their boundaries. Avondale is capitalizing on this competitive advantage by continuing to develop and expand its Auto/Commercial District.

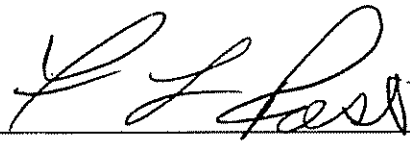
Our leading auto dealer, John Grant, General Manager of Avondale Dodge, plans to expand his dealership as soon as possible. He has purchased the land needed and has begun the preconstruction activities of engineering and architectural estimates. The proposed ESP project is essential to his expansion.

The following pages outline both the ESP project and Avondale Dodge's private sector related project. These projects are vital to the health of Avondale's economy because they will, together, immediately help to retain and expand our permanent job base, sales tax base, and our Auto/Commercial District through capital investment in a rural and disadvantaged area of western Maricopa County. Both projects also will have a significant impact on Avondale's long term economic health due to the synergy which the expansion of our Auto/Commercial District will create. The payback period is only nine months. The economic impact on our City will be tremendous. The ESP project can only help Avondale to strengthen its economy, both in the short term and well into the 21st Century.

APPROVAL OF THE AVONDALE CITY ATTORNEY

I have reviewed the above referenced proposed intergovernmental agreement, between the DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION, and the CITY OF AVONDALE and declare this agreement to be in proper form and within the powers and authority granted to the City under the laws of the State of Arizona.

DATED this 7th day of NOV., 1996.

A handwritten signature in cursive script, appearing to read "P. J. Lee", is written over a horizontal line.

City Attorney



STATE OF ARIZONA

OFFICE OF THE ATTORNEY GENERAL

1275 WEST WASHINGTON, PHOENIX 85007-2926

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GRANT WOODS
ATTORNEY GENERAL

INTERGOVERNMENTAL AGREEMENT DETERMINATION

A.G. Contract No. KR96-1676TRN, an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952, as amended, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona.

No opinion is expressed as to the authority of the remaining parties, other than the State or its agencies, to enter into said agreement.

DATED this 25th day of November, 1996.

GRANT WOODS
Attorney General

JAMES R. REDPATH
Assistant Attorney General
Transportation Section

JRR:ggt
[TRNPHX2338]